

EXHIBIT 14
**[REDACTED VERSION OF
DOCUMENT SOUGHT TO BE SEALED]**

1 UNITED STATES DISTRICT COURT
2 NORTHERN DISTRICT OF CALIFORNIA
3 No. 5:16-cv-00523-RMW

4
5 IN RE SEAGATE TECHNOLOGY, LLC
6 LITIGATION

7
8 SUPERIOR COURT OF THE STATE OF CALIFORNIA
9 FOR THE CITY AND COUNTY OF SAN FRANCISCO
10 Case No. CGC-15-547787

11 TIM POZAR and SCOTT NALICK,
12 Individually and on Behalf of All Others
13 Similarly situated,

14 Plaintiffs,

15 vs.

16 SEAGATE TECHNOLOGY LLC and DOES
17 1-50,

18 Defendants.

19
20 VIDEOTAPED DEPOSITION OF ANDREI KHURSHUDOV
21 September 8, 2017
22
23
24
25

1 A I was responsible for developing -- for
2 running projects related to big data analytics,
3 machine learning, and different types of exploratory
4 studies.

5 Q What is machine learning?

6 A Machine learning term refers to the field
7 of statistics, mathematics or computer science that
8 relates to algorithms or software that improve
9 performance with experience or with time or data.
10 Essentially, they learn over time.

11 Q Okay. And you also said you did
12 exploratory studies.

13 A Uh-huh.

14 Q What does that mean?

15 A Ad hoc studies, whatever I was finding to
16 be important for the company at the time.

17 Q So you had the freedom to choose the
18 own -- your -- the areas that you wanted to study?

19 A That's correct.

20 Q Did you work at any other position at
21 Seagate in the past other than as chief technologist?

22 A Yes.

23 Q And what was that?

24 A I started as a director of advanced
25 reliability in 2006. Then I moved to -- my subjects

1 changed, but the next milestone I will say was a
2 general manager of Seagate Recovery Services. Then I
3 worked as a senior director in different other
4 functions, including managing cloud research in the
5 analytics organization.

6 Q All right. Well, let's take it
7 chronologically from your earliest position. Take a
8 look at your LinkedIn profile on Page 2, please.
9 What was your first position at Seagate?

10 A Yes, it says senior director, worldwide
11 advanced quality and reliability.

12 Q What did you do in that position?
13



12 MR. SHARMA: I think -- did you say
13 fraction or function?

14 THE DEPONENT: Fraction.

15 MR. SHARMA: Fraction.

16 THE DEPONENT: Fraction. It's a smaller.

17 Q (BY MR. STROUT) Okay. And we'll --

18 A I'm sorry.

19 Q We'll return to AFR in a little bit, but
20 for now I want to ask you about ARR. What is that
21 exactly?

22 A Annualized return rate is a fraction of
23 shipped product that comes back for whatever reason,
24 for any reason, during one year of operations.

25 THE REPORTER: During one year of --

1 failure rate increases at the end of its life.

2 Q (BY MR. STROUT) Let's turn back to your
3 LinkedIn profile. What was your position after
4 senior director of quality data analytics?

5 A Yes. General manager, Seagate Recovery
6 Services.

7 Q And you were there from June 2010 to
8 August 2011, correct?

9 A Uh-huh.

10 Q What were your responsibilities in that
11 position?

12 A Seagate acquired a recovery service
13 business from outside, and I was asked to manage it
14 and integrate it into Seagate company business wise,
15 technology wise, people wise.

16 Q What was your position after that?

17 A Yes, senior director, cloud research and
18 analytics.

19 Q And you were there from August 2011 until
20 May 2015; is that right?

21 A Correct.

22 Q What did you do in that position?

23 A Well, as the title says, Seagate became
24 interested in cloud technology and cloud products,
25 and new organizations were formed focusing on this

1 field. And I was building and managing an
2 organization that was responsible for doing research
3 work, in a way ad hoc research activities, and doing
4 analytics and developing analytics solutions for
5 Seagate.

6 Q In this position, did you deal at all with
7 annualized failure rate?

8 A Yes.

9 Q So then you also dealt with mean time
10 between failure?

11 A Correct.

12 Q And defective parts per million?

13 A Correct.

14 Q Did you deal at all with factory yield in
15 this position?

16 A Unlikely.

17 Q And then after that your position was, as
18 we discussed, chief technologist, big data analytics
19 and insights; is that correct?

20 A Correct.

21 Q Okay. You can put the LinkedIn profile to
22 the side.

23 Before you started working at Seagate --
24 and actually, you can refer back to the LinkedIn
25 profile if necessary -- but where did you work prior

1 A It's a very general question. Everyone at
2 Seagate worked on everything related to everything
3 Seagate makes. Specifically, I did not work on
4 products.

5 Q (BY MR. STROUT) What do you mean by you
6 didn't work on products?

7 A There's a product reliability
8 organization, and I was always in advanced/research
9 function. So we could have performed analysis of
10 this or that, or look into some issues, but actual
11 product quality and reliability was not my
12 responsibility or my organization's responsibility.

13 Q Did you perform any research at all that
14 may have been on or related to the ST3000 drive?

15 A I'm sure I did.

16 Q Did you perform any research on any of the
17 external drives that used the ST3000 in them?

18 A I -- to my recollection, I cannot answer
19 this question as yes or no. I do not know, do not
20 remember.

21 Q All right. That's okay.

22 I'd like to now go back to talk a little
23 bit more about annualized failure rate.

24 A Uh-huh.

25 Q I know you spoke of it earlier, but could

1 you please define AFR for me?

2 A If you look at all the drives of a
3 particular model, say, produced during one year, and
4 then you trace their future, the fraction of drives
5 that will come back will represent the annualized
6 return rate.

7 Of the returns that come back, there will
8 be a fraction measurable, sometimes greater,
9 sometimes smaller, fraction of drives that we will --
10 Seagate will call no trouble found, for example, no
11 trouble found, which means when drives are tested
12 internally, nothing wrong could be found with them,
13 and it remains a question why they were returned.

14 There will be another fraction that will
15 be tested and linked to issues outside of expected
16 range of stress. As I mentioned before, drives that
17 are clearly mishandled, for example, or drives that
18 are electrocuted by poor electric connection,
19 something that could be easily discovered.

20 In the world of the retail, what's called
21 Disty, distribution drives, there will be some other
22 group of drives. Sometimes they are returned without
23 even being removed from the packaging, essentially.
24 Internally this will be called buyer's remorse cases,
25 something like that. Essentially somebody buys and

1 then change his mind and returns a drive even without
2 trying.

3 So depending on the application or market,
4 the fraction of not true failures varies, and it
5 could be as great as 80 percent in some cases. For
6 every 100 returned drives, only 20 will be confirmed
7 as having real problem. This is not a typical
8 number, but it could be as bad as this.

9 Q So does AFR -- that does not include no
10 trouble found drives, right?

11 A Uh-huh.

12 Q Or drives that were returned due to
13 buyer's remorse?

14 A Uh-huh.

15 Q Or drives that were mishandled?

16 A Uh-huh.

17 THE REPORTER: Can I just get you to say
18 yes or no?

19 THE DEPONENT: Oh, yes. Yes.

20 Q (BY MR. STROUT) Okay. So -- yeah, I
21 should -- I'll just run through those one more time
22 just because you said uh-huh instead of yes.

23 So AFR does not include drives --

24 A Sorry.

25 MR. SHARMA: Take your time.

1 THE VIDEOGRAPHER: Need some help?

2 THE DEPONENT: I didn't do --

3 (Discussion off the record.)

4 THE DEPONENT: Okay.

5 Q (BY MR. STROUT) All right. So AFR does
6 not include drives where there is no trouble found?

7 A Correct.

8 Q And it does not include drives that were
9 returned due to what you characterized as buyer's
10 remorse?

11 A Correct.

12 Q And AFR also does not include drives that
13 were misused?

14 A I believe so.

15 Q Does Seagate calculate AFR, you know,
16 prior to releasing a drive?

17 MR. SHARMA: Objection, lack of
18 foundation.

19 Q (BY MR. STROUT) You can answer.

20 THE DEPONENT: How is that --

21 MR. SHARMA: If you know the answer --
22 yeah, if you know the answer to the question --

23 Q (BY MR. STROUT) You can answer.

24 MR. GOLDICH: We normally just ignore
25 them.

1 Is it 5?

2 THE REPORTER: 6.

3 MR. STROUT: 6, all right.

4 I'm now marking as Exhibit 6 the document
5 Bates labeled FED_SEAG 0019045.

6 (Exhibit 6 marked.)

7 Q (BY MR. STROUT) All right. Have you seen
8 this document before?

9 A I have not seen this document before. It
10 looks like a product manual, again typical product
11 manual for a Seagate product.

12 Q All right. I represent to you that this
13 document was produced by Seagate during discovery in
14 this case. Right there on the first page it says
15 Product Manual, Barracuda; is that right?

16 A Yes, correct.

17 MS. MCLEAN: I'd also like to note, as I
18 did yesterday, that this document appears to be a
19 draft. It's not clear that it -- it was released to
20 the public because it has redlines in it.

21 Q (BY MR. STROUT) Underneath where it says
22 Barracuda it says ST3000DM001; is that right?

23 A Yes, that's correct.

24 Q And this document is dated April 2011,
25 right?

1 A Correct.

2 Q And the data sheet that we were just
3 talking about, the copyright date was 2011, right?

4 MR. SHARMA: Take a look at it if you need
5 to.

6 A That's correct.

7 Q (BY MR. STROUT) Please turn to Page
8 19056.

9 A Uh-huh. Yes.

10 Q Do you see on this table where it says
11 annualized failure rate?

12 A Yes, I can see.

13 Q Okay. And there's a column on here for
14 the ST3000 drive; is that right?

15 A Yes, that's correct.

16 Q And the annualized failure rate for the
17 ST3000 is listed as .34 percent; is that right?

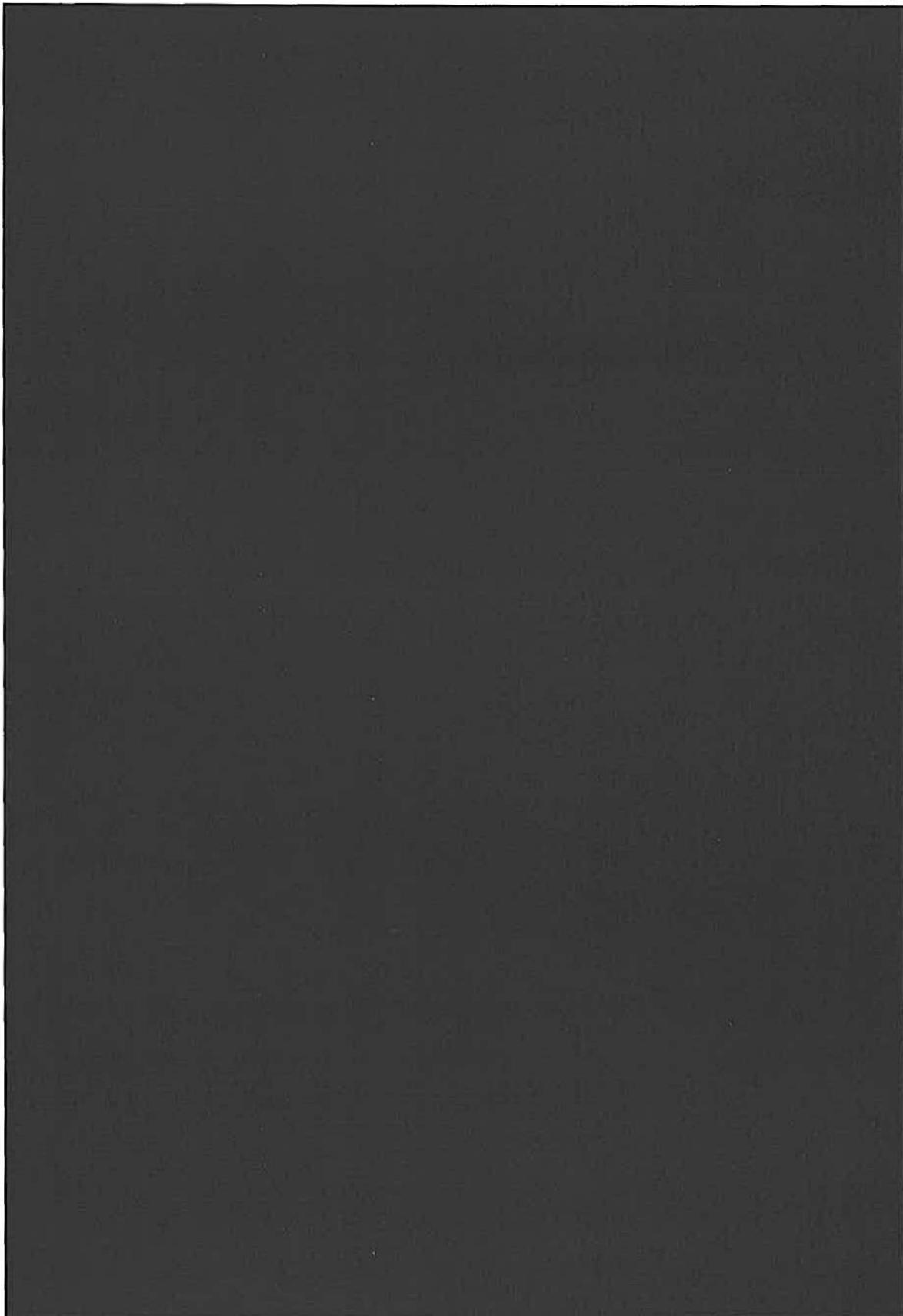
18 A I can see.

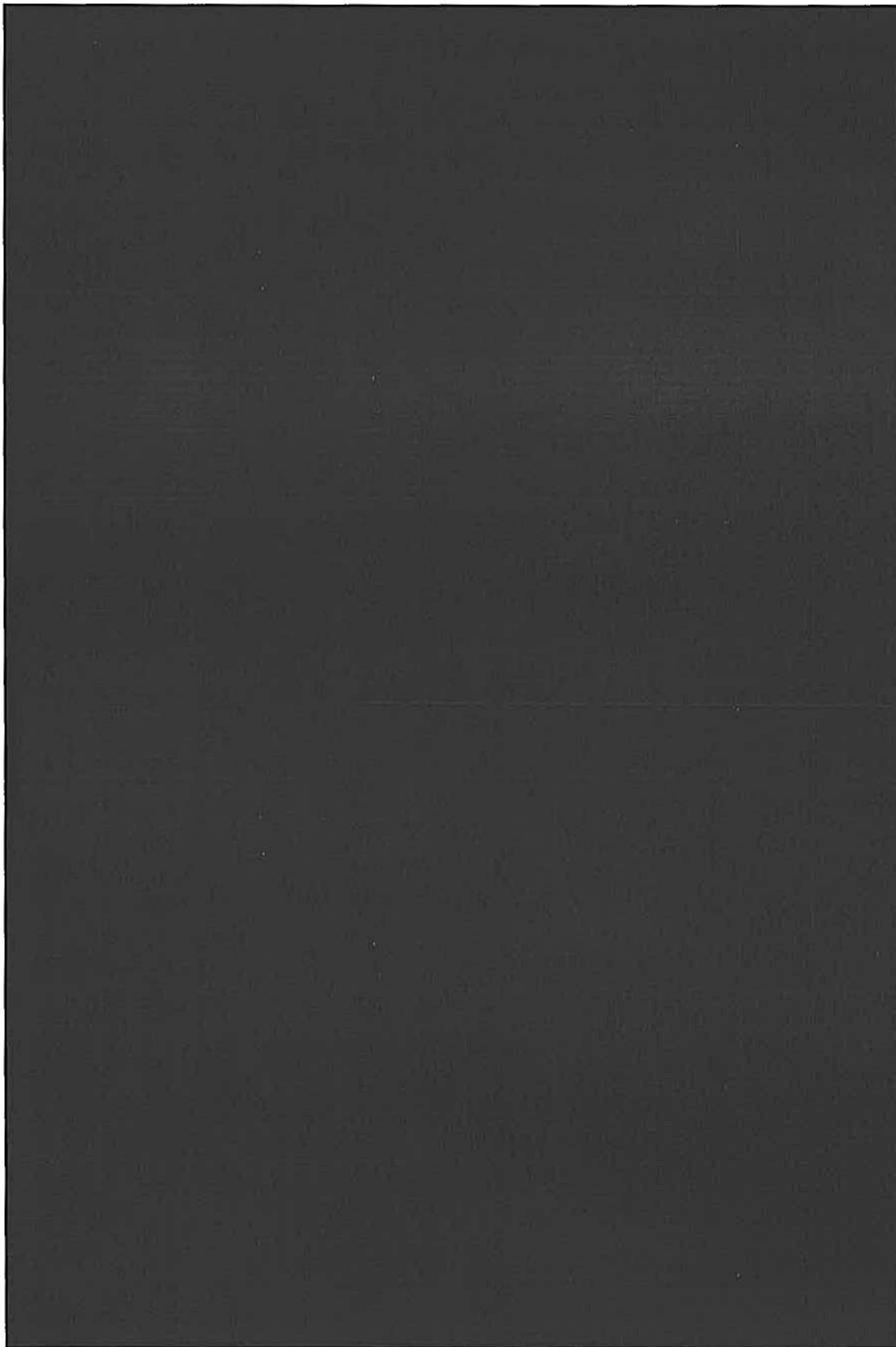
19 Q Do you know why it says .34 percent here,
20 whereas in the data sheet we just looked at it said
21 less than 1 percent?

22 MR. SHARMA: Objection, lacks foundation,
23 calls for speculation.

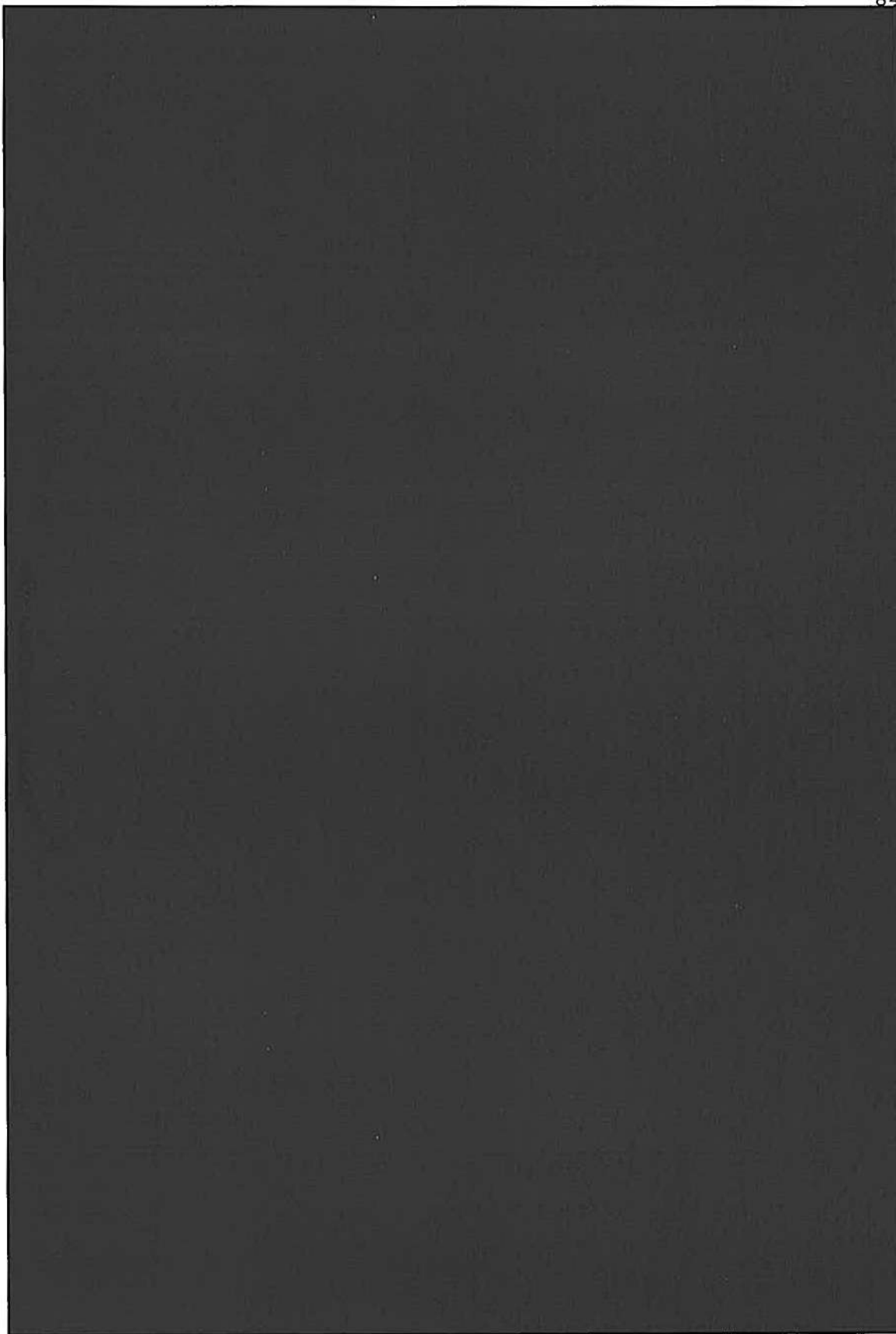
24 A I don't know.

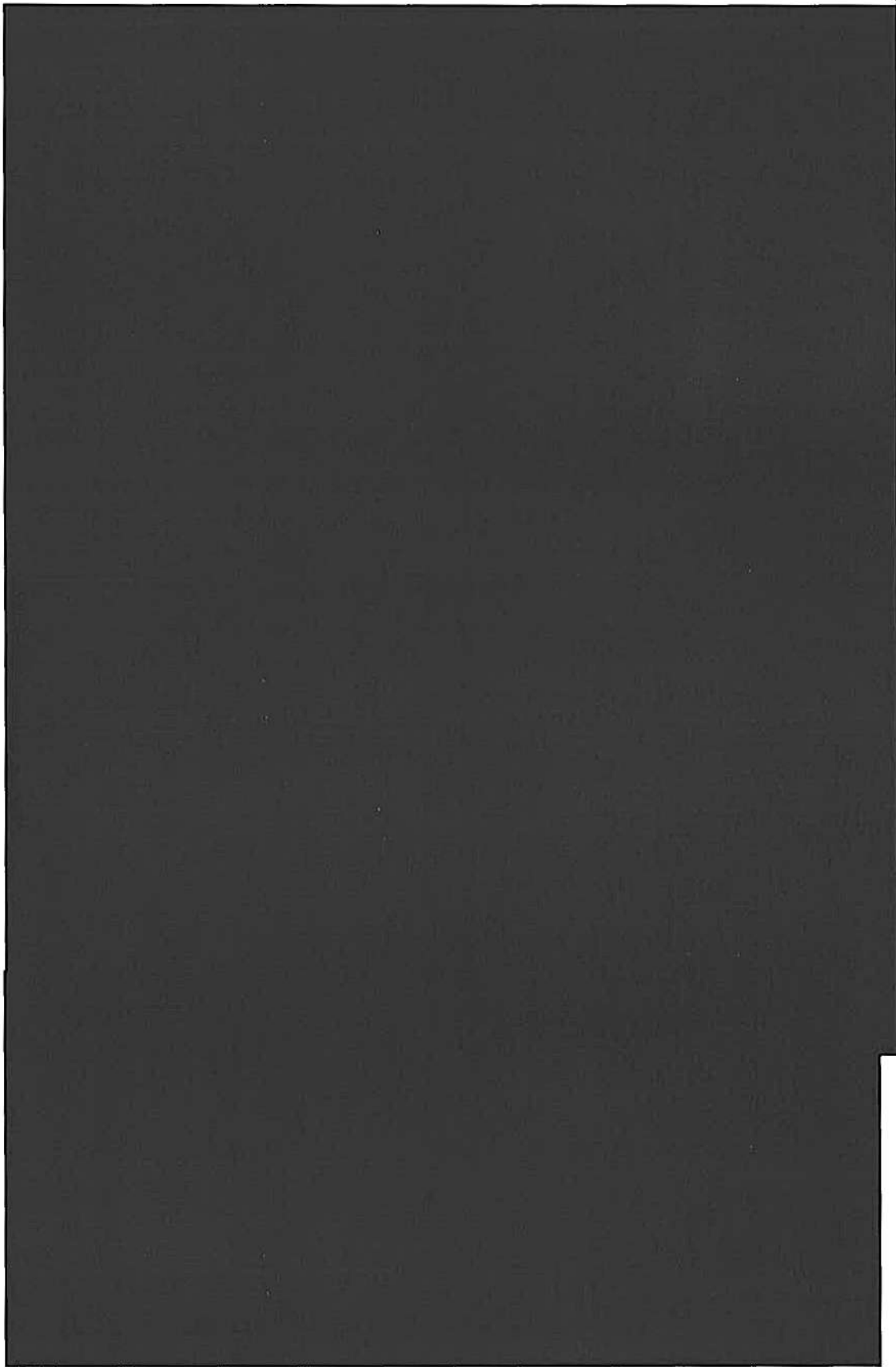
25 Q (BY MR. STROUT) Okay.

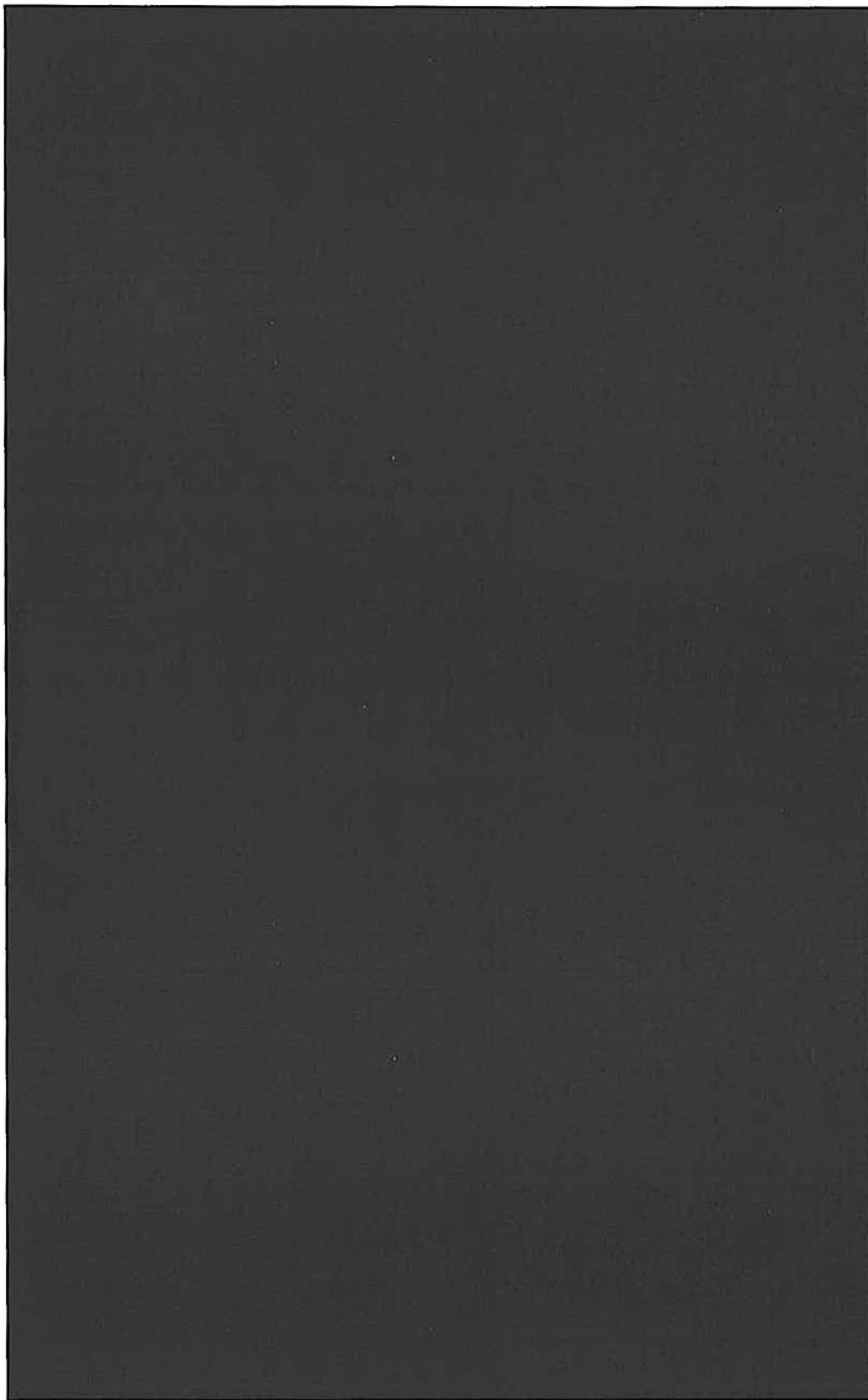


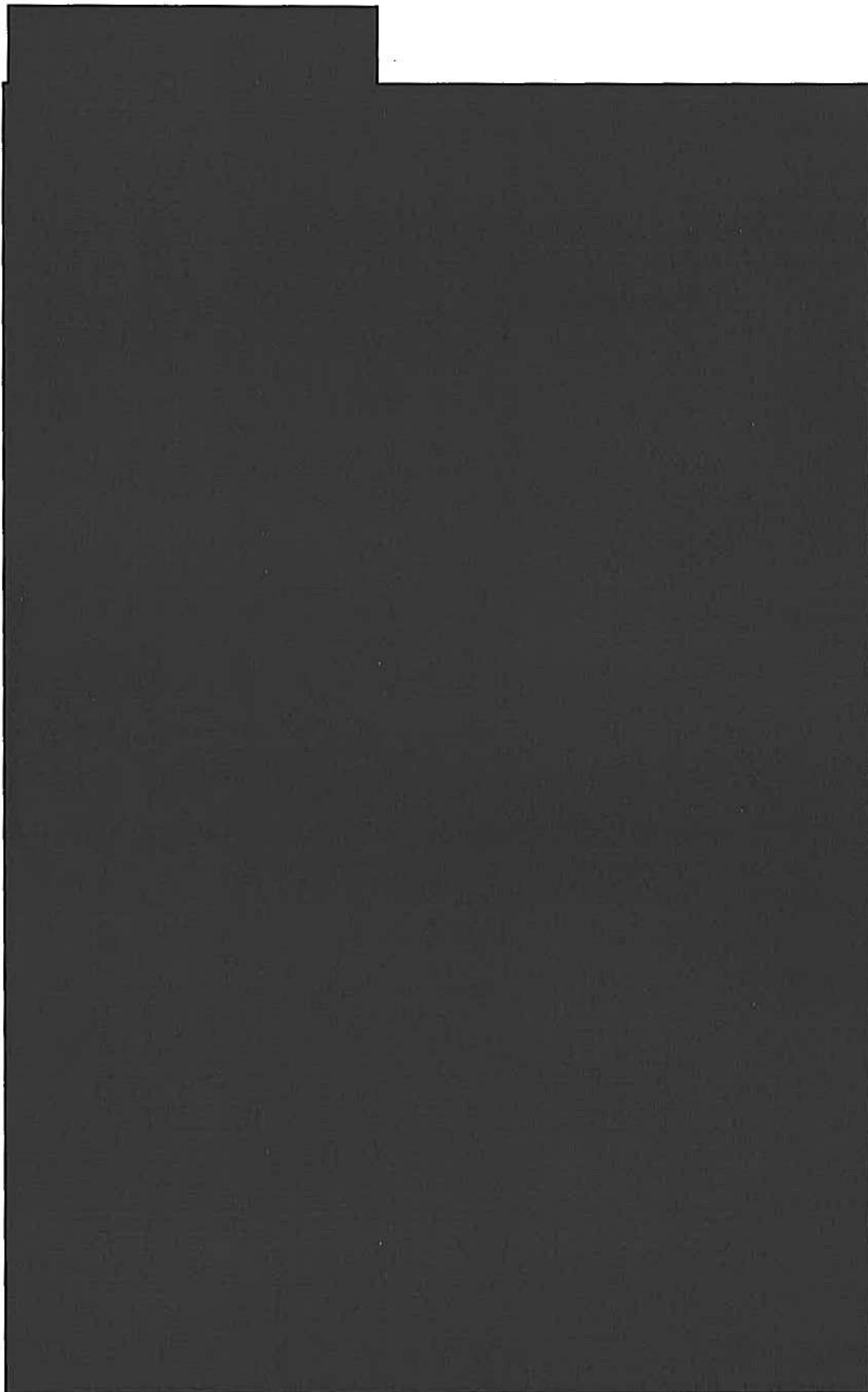


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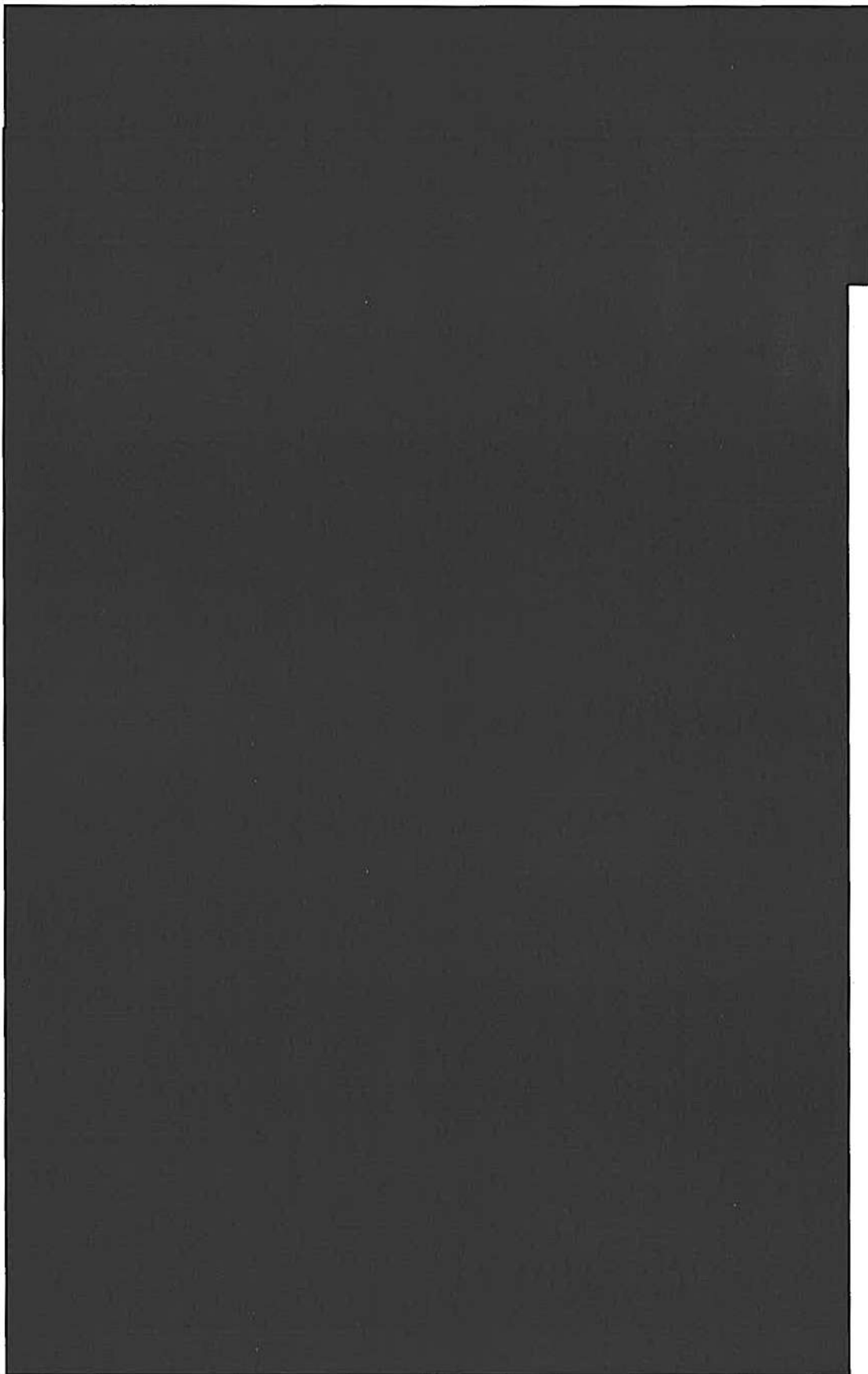


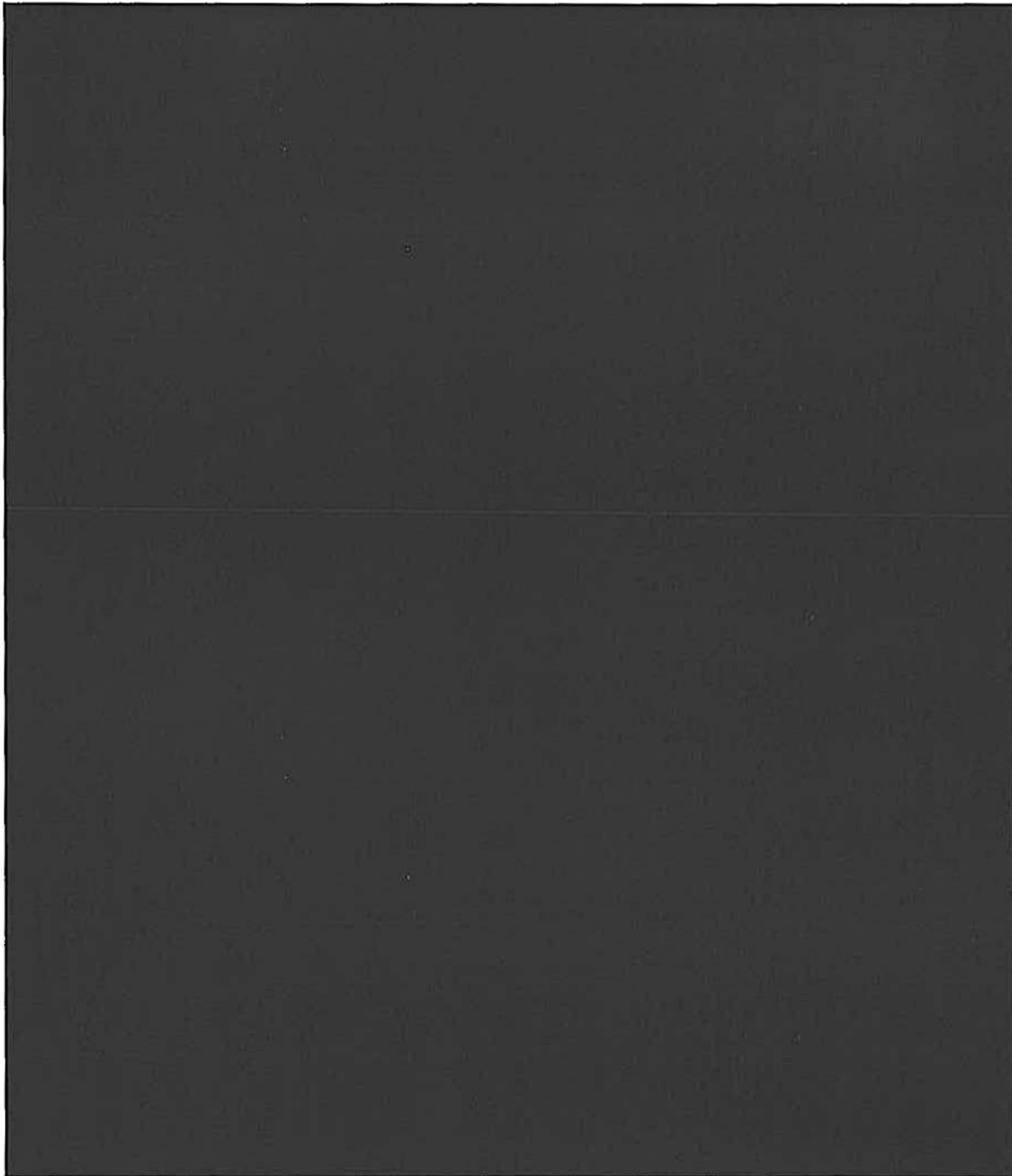
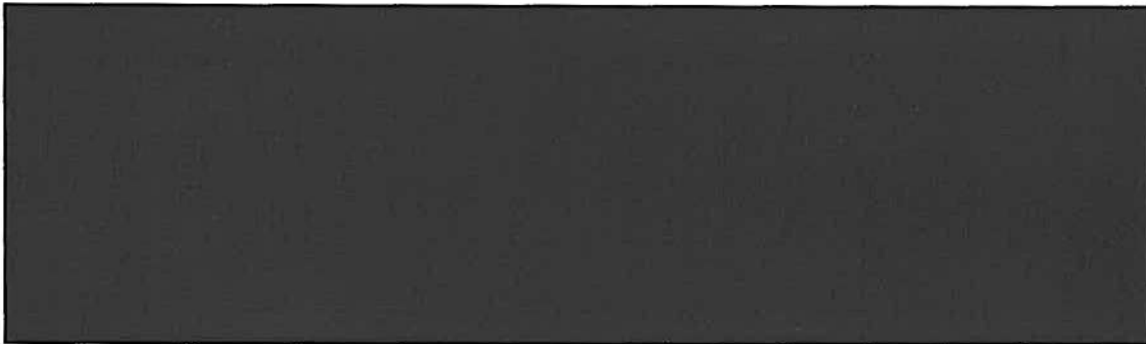


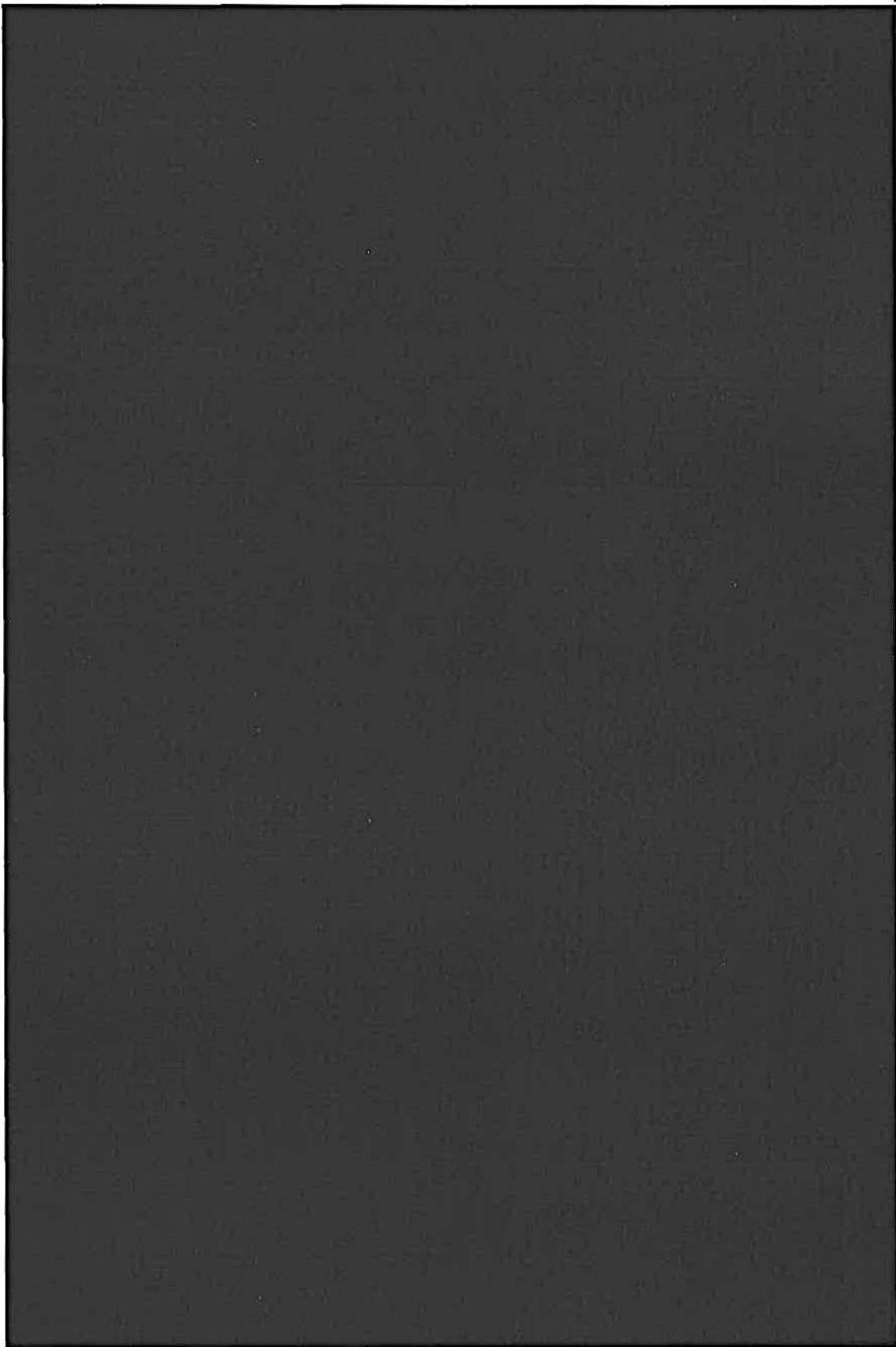


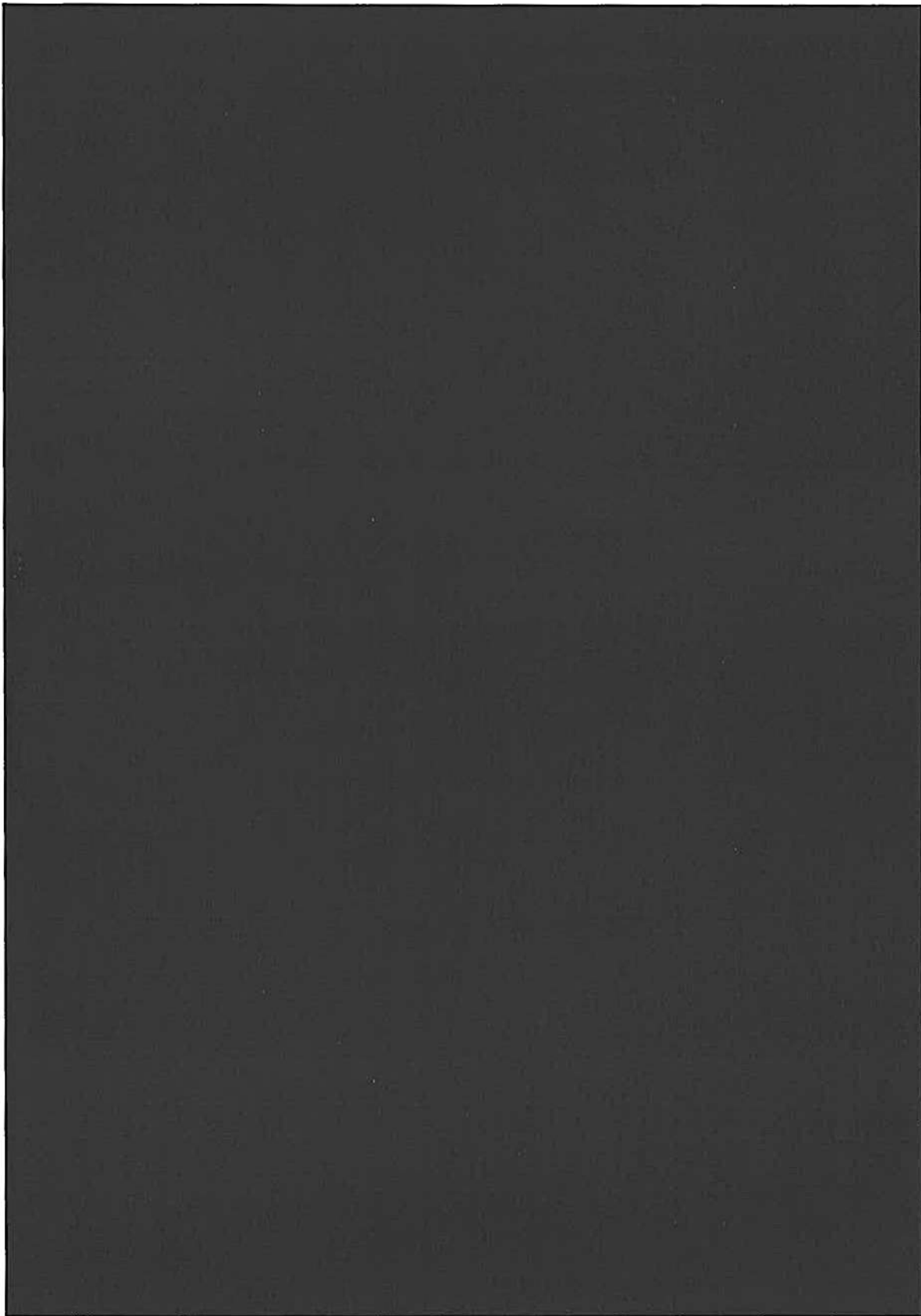


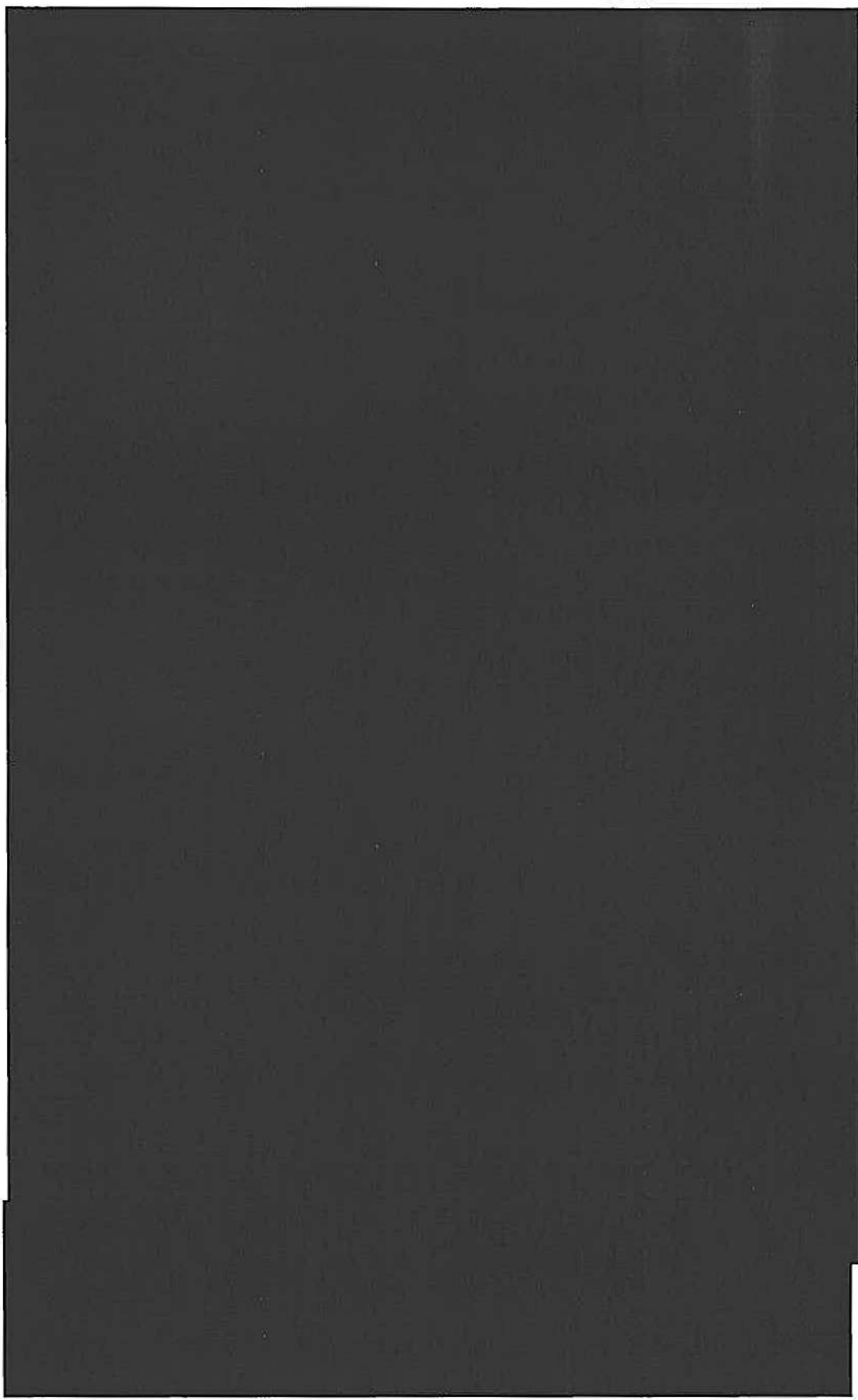
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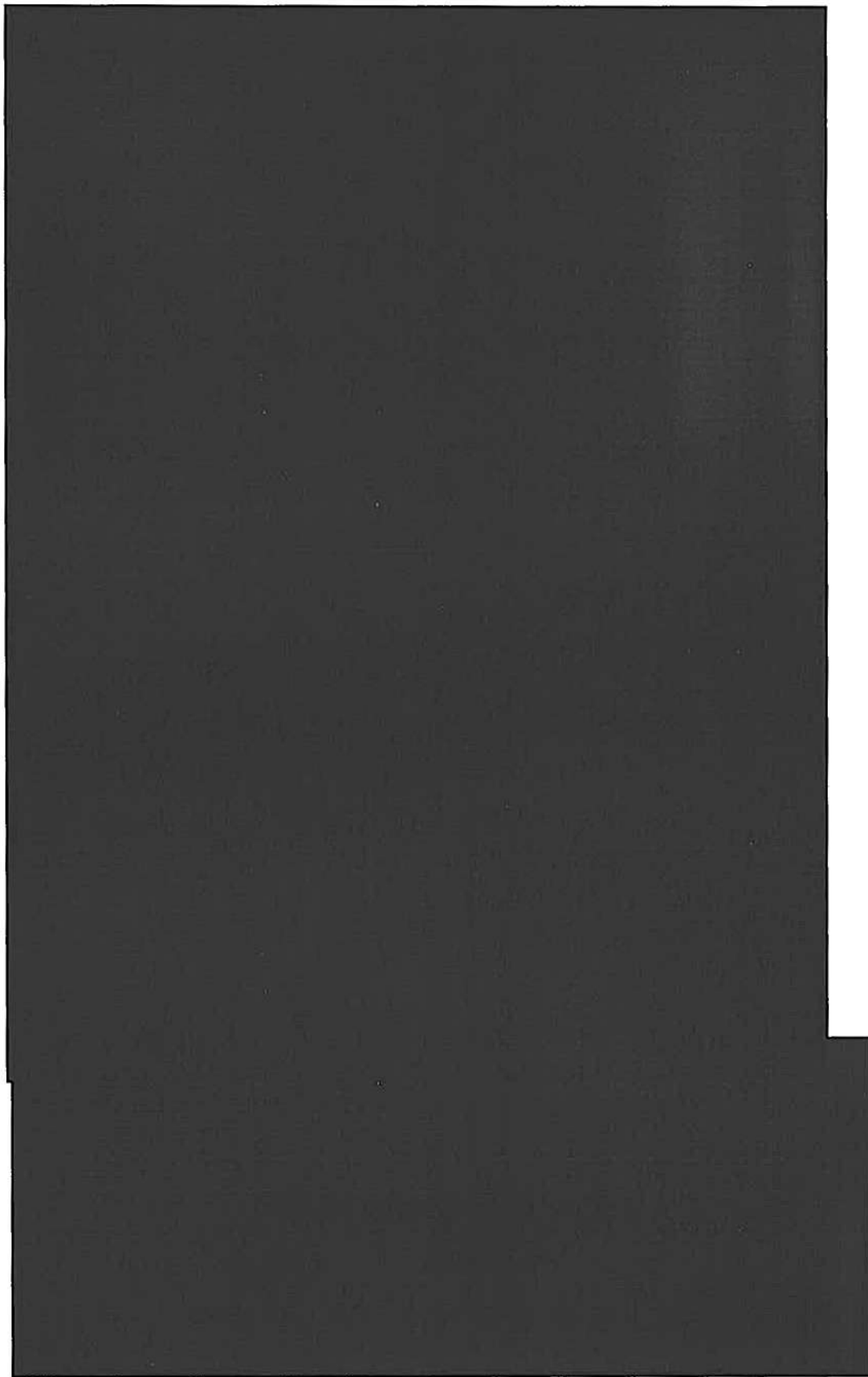




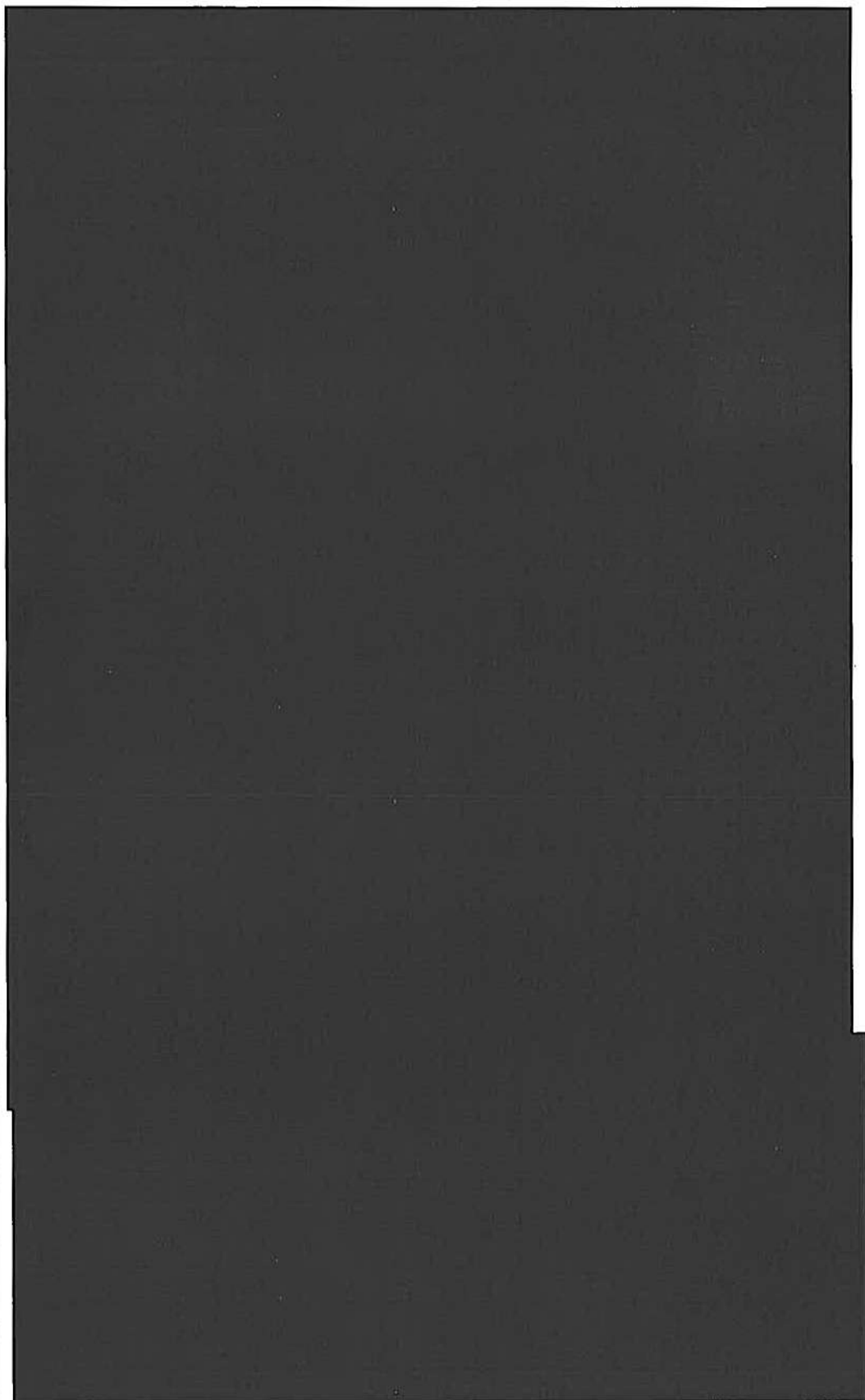




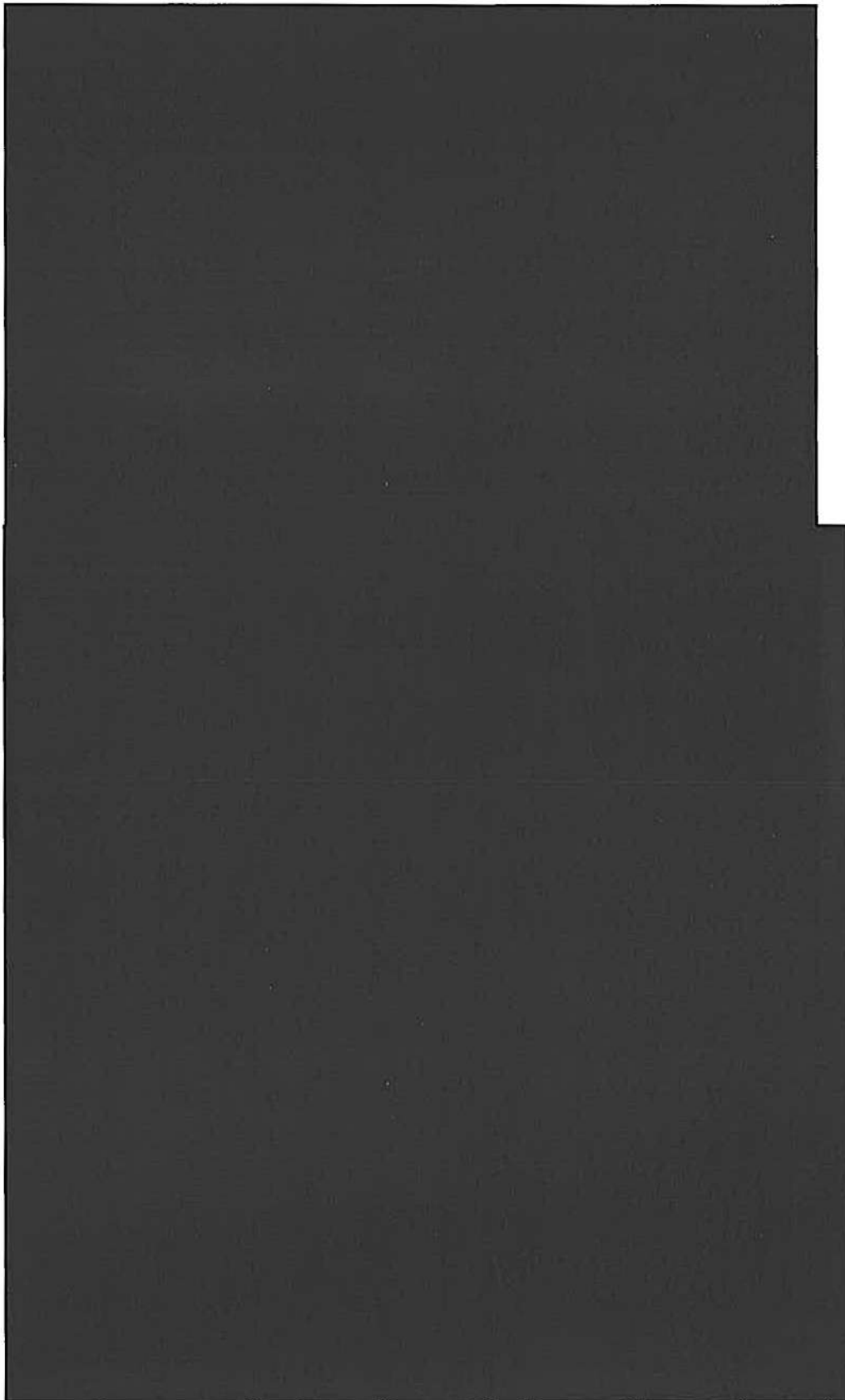


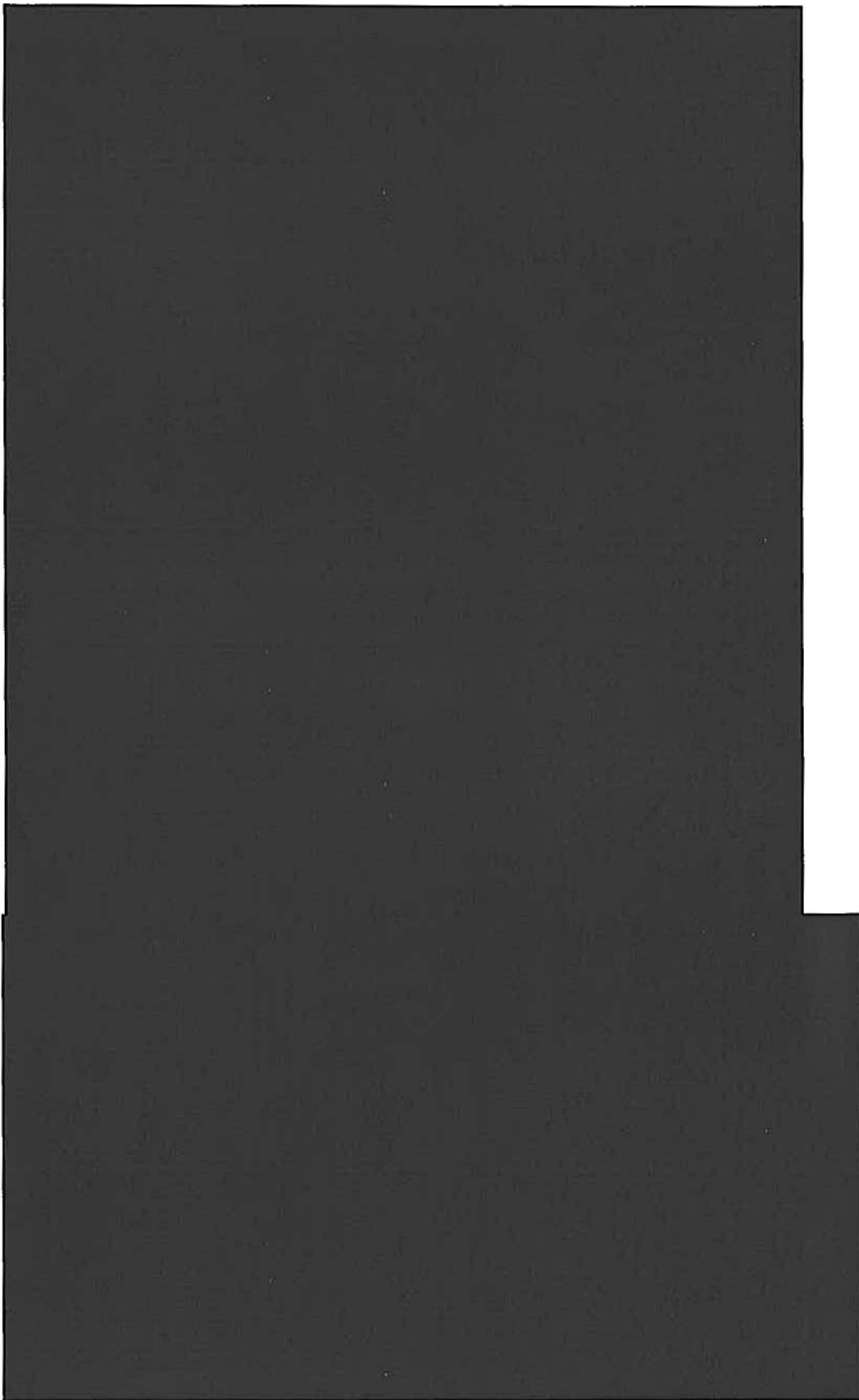


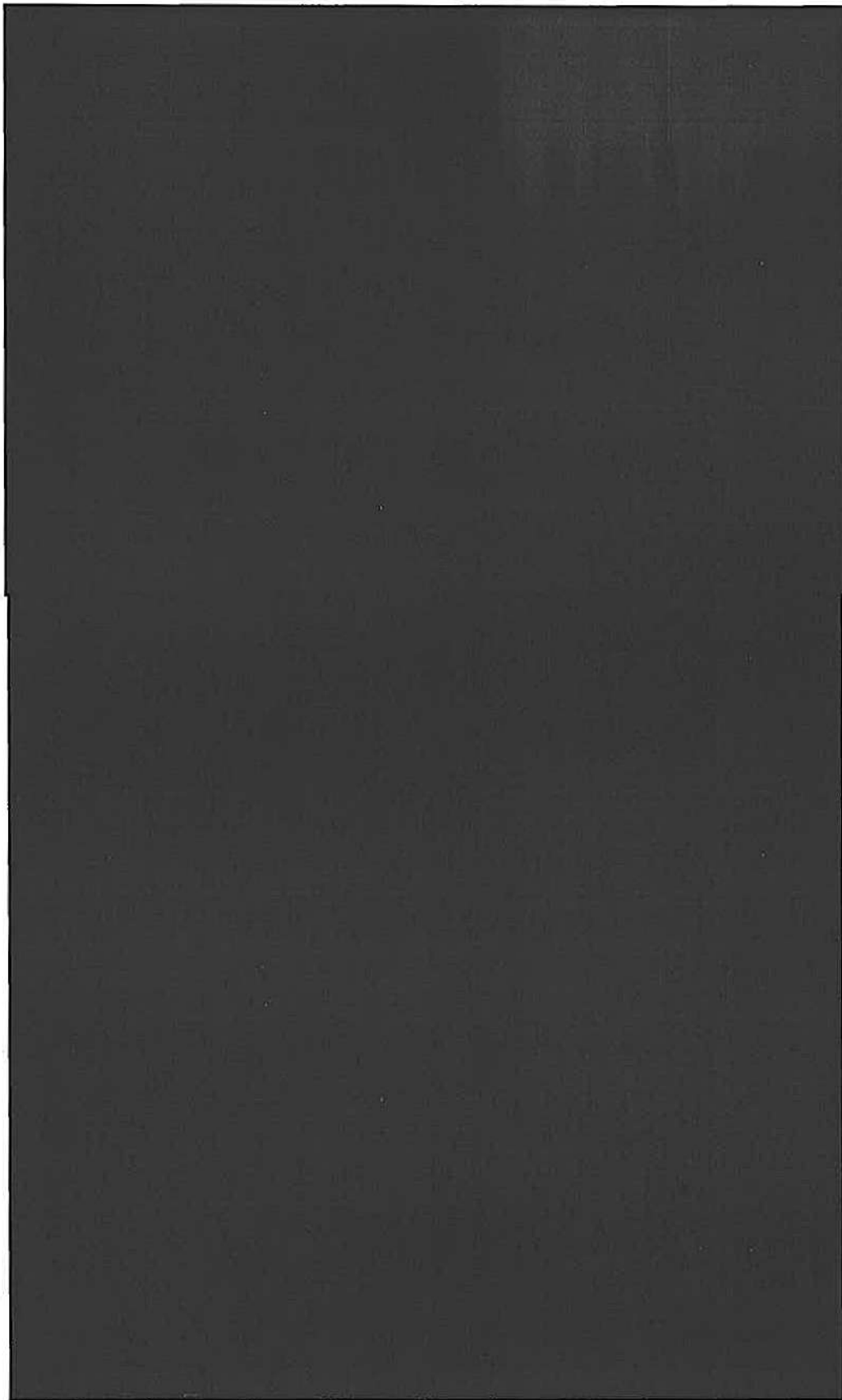
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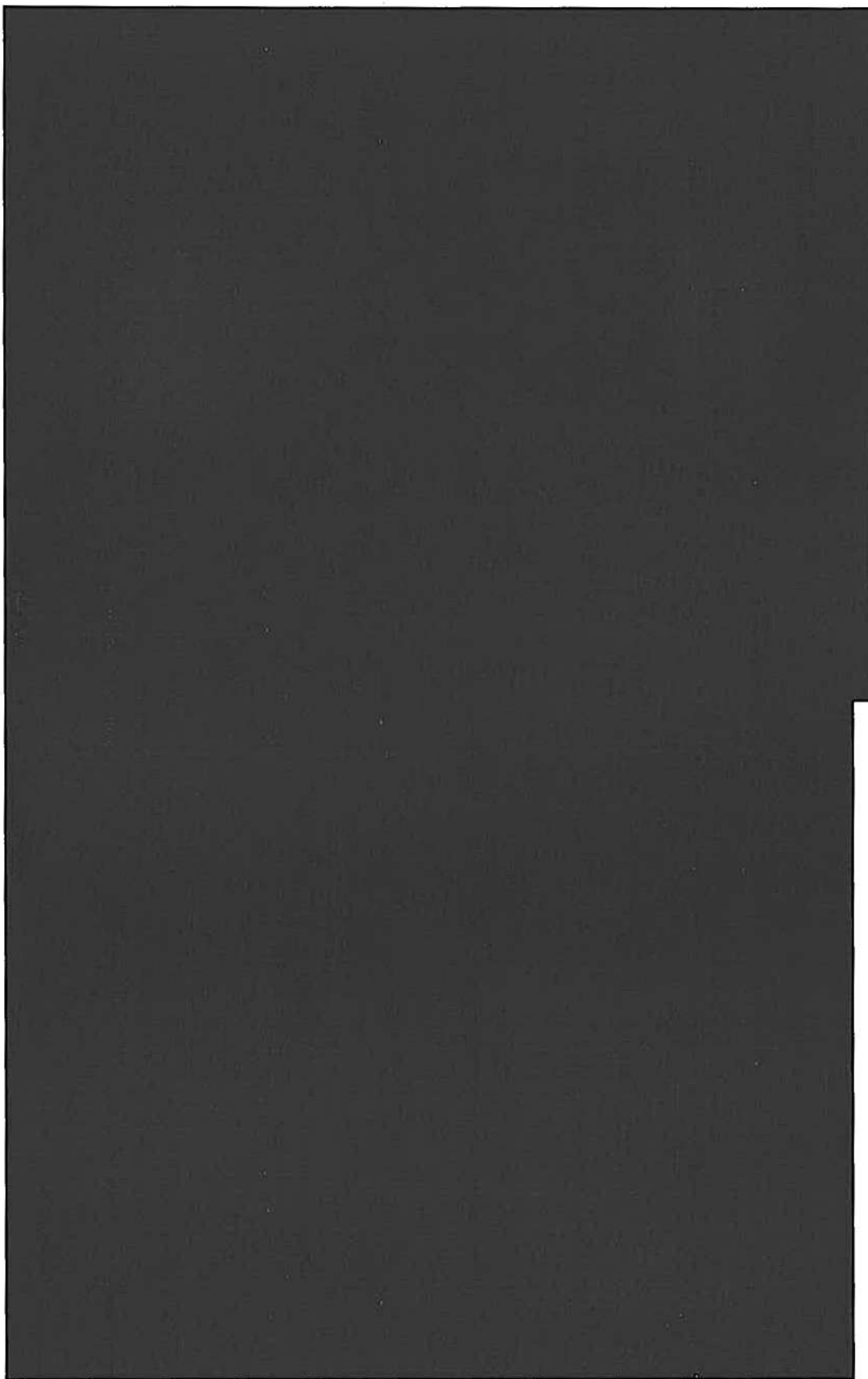


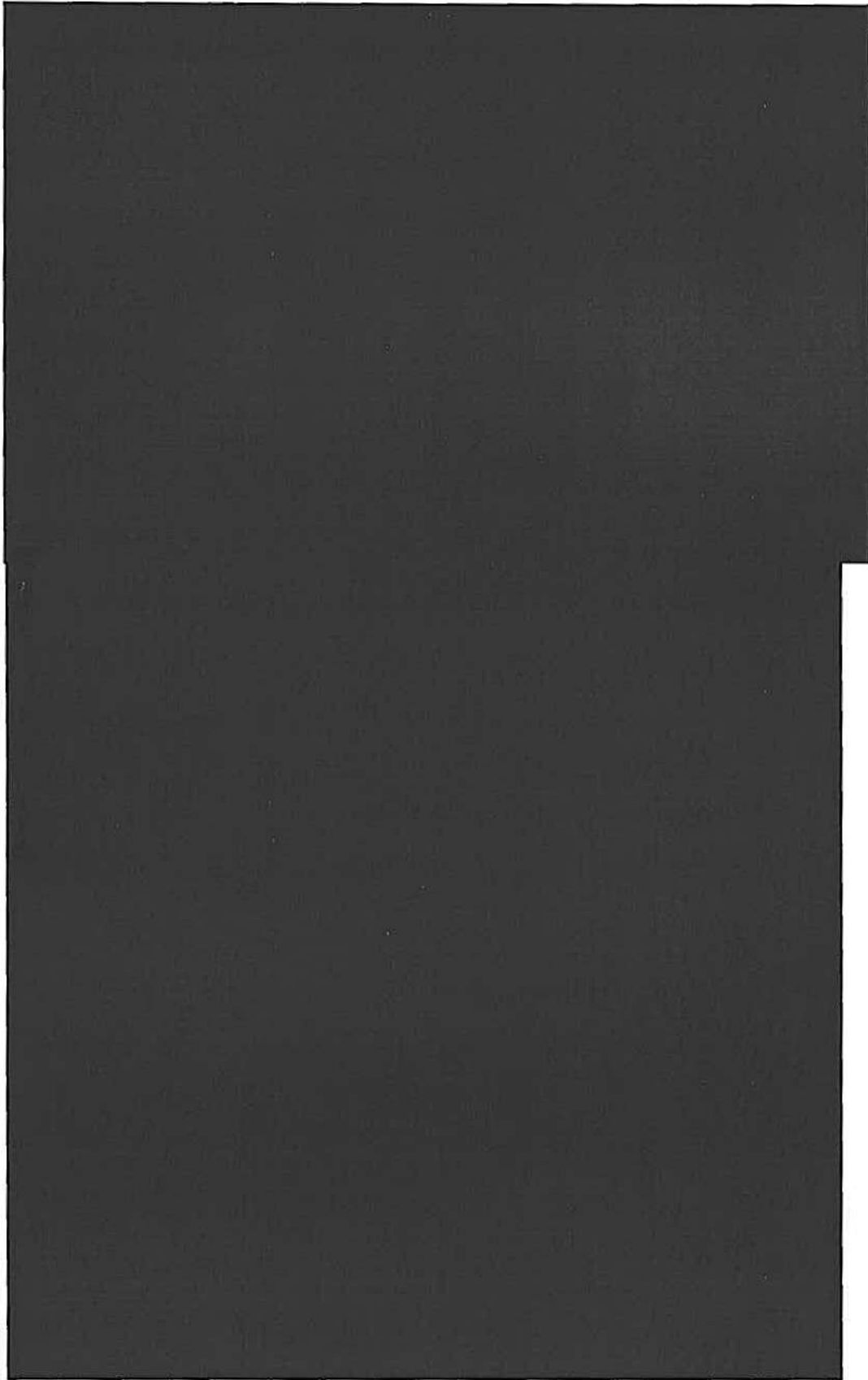
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1 STATE OF COLORADO)

2) ss. REPORTER'S CERTIFICATE

3 COUNTY OF DENVER)

4 I, Pamela J. Hansen, do hereby certify that
5 I am a Registered Professional Reporter and Notary
6 Public within the State of Colorado; that previous to
7 the commencement of the examination, the deponent was
8 duly sworn to testify to the truth.

9 I further certify that this deposition was
10 taken in shorthand by me at the time and place herein
11 set forth, that it was thereafter reduced to
12 typewritten form, and that the foregoing constitutes
13 a true and correct transcript.

14 I further certify that I am not related to,
15 employed by, nor of counsel for any of the parties or
16 attorneys herein, nor otherwise interested in the
17 result of the within action.

18 In witness whereof, I have affixed my
19 signature and seal this 21st day of September, 2017.

20 My commission expires September 3, 2018.

21
22
23 Pamela J. Hansen, CRR, RPR, RMR
24 216 - 16th Street, Suite 600
25 Denver, Colorado 80202